

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22

BEFORE THE  
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF: )  
 )  
GAINS INTERNATIONAL (US) INC., )  
 )  
 )  
Application for a certificate )  
of interexchange authority to ) No. 03-0637  
operate as a reseller or )  
facilities-based carrier of )  
telecommunications services in )  
all regions of the State of )  
Illinois. )

Chicago, Illinois  
November 17, 2003

Met, pursuant to notice, at 10:00 a.m.

BEFORE:

Mr. John T. Riley, Administrative Law Judge

APPEARANCES:

MR. THOMAS M. LYNCH  
509 Braxton Place  
Suite 300  
Alexandria, Virginia 22301  
Appearing for Gains International (US) Inc.

SULLIVAN REPORTING COMPANY, by  
Julia C. White, CSR  
License No. 084-004544

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22

I N D E X

<u>Witnesses:</u>	<u>Direct</u>	<u>Cross</u>	<u>Re-</u> <u>direct</u>	<u>Re-</u> <u>cross</u>	<u>By</u> <u>Examiner</u>
GREG WASILEWSKI	4				
KENNETH CHUCK	11				
JOHN MC SHERRY	14				

E X H I B I T S

<u>Number</u>	<u>For Identification</u>	<u>In Evidence</u>
None.		

1 JUDGE RILEY: Pursuant to the direction of the  
2 Illinois Commerce Commission, I now call Docket  
3 03-0637. This is an application by Gains  
4 International (US) Incorporated, for a certificate of  
5 interexchange authority to operate as a reseller or  
6 facilities-based carrier of telecommunications  
7 services in all regions in the State of Illinois.

8 And, Mr. Lynch, would you enter an  
9 appearance for the record, please.

10 MR. LYNCH: Yes. This is Thomas Lynch, outside  
11 counsel for Gains International (US) Inc. My address  
12 is 509 Braxton Place, Suite 300, Alexandria,  
13 Virginia 22301, and my phone number is  
14 (703) 519-0600. And I request to be admitted pro hac  
15 vice to represent Gains in this proceeding.

16 JUDGE RILEY: Granted.

17 And did you want to call a witness at  
18 this time?

19 MR. LYNCH: Yes. We have three witnesses. The  
20 first is Greg Wasilewski, president of Gains  
21 International (US) Inc.

22

1 (Witness sworn.)

2 JUDGE RILEY: All right. Please proceed,  
3 Mr. Lynch, with any direct examination you may have.

4 GREG WASILEWSKI,  
5 called as a witness herein, having been first duly  
6 sworn, was examined and testified as follows:

7 DIRECT EXAMINATION

8 BY

9 Mr. Lynch:

10 Q Okay. Mr. Wasilewski, was Gains  
11 application dated October 9, 2003, and received by  
12 the Illinois Commerce Commission on October 14, 2003,  
13 prepared by you or under your direction or  
14 supervision?

15 A Yes, it was.

16 Q And do you have any modifications or  
17 changes to the application or any of its exhibits?

18 A No.

19 Q Do you adopt application as part of your  
20 testimony in this proceeding?

21 A Yes.

22 Q For the record, what service is Gains

1     requesting authority to offer within the state of  
2     Illinois?

3             A     Resale and facilities-based interexchange  
4     service.

5             Q     Thank you.

6                     Does Gains provide these services  
7     elsewhere in the United States or abroad?

8             A     Yes.  Gains provides similar services in  
9     California, Connecticut, Massachusetts, New York,  
10    Texas.  Gains also has an affiliate entity that  
11    provides similar services throughout Europe.

12            Q     And in your opinion, is Gains financially,  
13    technically and managerially qualified to provide  
14    such services in the state of Illinois?

15            A     Yes.

16            MR. LYNCH:  Your Honor, I have no further  
17    questions for Mr. Wasilewski at this time.

18            JUDGE RILEY:  All right.  Thank you.  And I just  
19    have a few of my own.  I think we may be able to  
20    handle this all through Mr. Wasilewski, but let's see  
21    how we -- how we do.

22                     Just to confirm, Mr. Wasilewski, you

1       stated you are the president of the company?

2               MR. WASILEWSKI:   That's correct.

3               JUDGE RILEY:   Is the company going to be

4       offering any local service at all?

5               MR. WASILEWSKI:   Yes, it will.

6               MR. LYNCH:   Local service in -- I'm sorry, your

7       Honor.   May I --

8               JUDGE RILEY:   Yes.   Go ahead

9               MR. LYNCH:   -- clarify the question?

10                       Mr. Wasilewski, he means local

11       service in terms of the way it is defined by the

12       state of Illinois.

13               MR. WASILEWSKI:   Which is -- if you could just

14       clarify that for me.

15               MR. LYNCH:   Essentially, within lattice

16       (phonetic) that are -- or within service territories

17       that are determined by the company.

18               MR. WASILEWSKI:   Well, no.   It's not going to be

19       that, but it's going to be within the state of

20       Illinois.

21               JUDGE RILEY:   No, I understand that.   No, I

22       meant local as opposed to long distance.

1           MR. WASILEWSKI:  No long dis- -- no.

2           JUDGE RILEY:  It's going to be long distance  
3 service only, in other words?

4           MR. WASILEWSKI:  That's correct.

5           JUDGE RILEY:  Thank you.

6                       And is the name that is to appear on  
7 the certificates the same name that appears on the  
8 application?

9           MR. WASILEWSKI:  Yes.

10          JUDGE RILEY:  There -- will there be any assumed  
11 or doing business as names?

12          MR. WASILEWSKI:  No, not at this time.

13          JUDGE RILEY:  And as I read the application, I  
14 understand Gains International is a New York  
15 corporation?

16          MR. WASILEWSKI:  That's correct.

17          JUDGE RILEY:  And with regard to the financial  
18 data that was submitted under seal, is it my  
19 understanding that the -- that this data is for the  
20 applicant itself and it is not for an affiliate or  
21 apparent company?

22          MR. WASILEWSKI:  That's correct.

1 JUDGE RILEY: And how long have you been the  
2 president of the applicant?

3 MR. WASILEWSKI: Since the inception of the  
4 company.

5 JUDGE RILEY: Which was when, approximately?

6 MR. WASILEWSKI: That was approximately in June  
7 of -- June, July of 2001.

8 JUDGE RILEY: And what is your background in  
9 telecommunications, Mr. Wasilewski?

10 MR. WASILEWSKI: Over 20 years, worked for a  
11 number of financial institutions. And we started  
12 Gains International (US) Inc., on the -- on a  
13 backbone of a -- another financial institution. So  
14 it's been my whole career that's been in  
15 telecommunications.

16 JUDGE RILEY: And who will do the technical  
17 support for the applicant in the event that such is  
18 needed? Will that be the applicant itself or would  
19 it be contracted out?

20 MR. WASILEWSKI: It will be primarily the  
21 applicant itself.

22 JUDGE RILEY: Is Mr. Dolan (phonetic) still



1       employed by the company?

2               MR. WASILEWSKI:   Mr. Dolan?

3               JUDGE RILEY:   Do you understand the question?

4               MR. LYNCH:   We improvided a resume --

5               JUDGE RILEY:   Right

6               MR. LYNCH:   -- for Richard Donlan.

7               MR. WASILEWSKI:   Richard Donlan.   Richard Donlan

8       is -- yes.

9               JUDGE RILEY:   Oh, my mistake.   I'm sorry.

10      Mr. Richard Donlan.

11              JUDGE RILEY:   Mr. Donlan is employed.   Yes, he

12      is.

13              JUDGE RILEY:   Is he still the operations

14      director?

15              MR. WASILEWSKI:   Yes, he is.

16              JUDGE RILEY:   And do you know what his

17      background is in telecommunications?

18              MR. WASILEWSKI:   Yeah.   Exactly the same --

19      similar to mine, 20-plus years in servicing the

20      financial community and supporting the financial

21      community in telecommunications infrastructure

22      support.

1 JUDGE RILEY: Okay. Will the company be  
2 offering operator assistant services or will that be  
3 left to the underlying carriers?

4 MR. WASILEWSKI: We will not be offering  
5 operator services.

6 JUDGE RILEY: And will the company be adhering  
7 to all federal and state laws and regulations with  
8 regard to slamming and cramming?

9 MR. WASILEWSKI: Absolutely, yes.

10 JUDGE RILEY: All right. Then I don't have any  
11 additional questions for Mr. Wasilewski.

12 Mr. Lynch, did you have anything to  
13 follow up with?

14 MR. LYNCH: Yes, your Honor. We have two  
15 additional witnesses.

16 JUDGE RILEY: All right. And that concludes the  
17 testimony for Mr. Wasilewski?

18 MR. LYNCH: Yes, it does.

19 JUDGE RILEY: All right. Thank you,  
20 Mr. Wasilewski.

21 MR. WASILEWSKI: Okay. Thank you, Judge Riley.

22 JUDGE RILEY: And who is your next witness,

1     please?

2             MR. LYNCH:   The next witness is Ken Chuck,  
3     director of finance for Gains.

4             JUDGE RILEY:   Okay.   Ken Chuck?

5             MR. LYNCH:   Yes.

6             JUDGE RILEY:   And, Mr. Chuck, would you -- would  
7     you state your name and spell it for the record,  
8     please.

9             A     Sure.   It's Kenneth Chuck, K-e-n-n-e-t-h,  
10    Chuck, C-h-u-c-k.

11                             (Witness sworn.)

12             JUDGE RILEY:   Mr. Lynch, please proceed if you  
13    have any questions.

14                             KENNETH CHUCK,  
15    called as a witness herein, having been first duly  
16    sworn, was examined and testified as follows:

17                             EXAMINATION

18                             BY

19                             MR. LYNCH:

20             Q     Okay.   The first question is, does Gains  
21    adhere to generally accept the accounting principles  
22    in preparing its financial statements?

1           A     Yes, it does.

2           Q     And would modifying Gains' current system  
3 of accounts be time consuming and disruptive to  
4 Gains' business?

5           A     It would be somewhat disruptive. Yes, it  
6 would be.

7           Q     Thank you. Does Gains maintain its books  
8 and records in New York?

9           A     Yes.

10          Q     And would maintaining books and records in  
11 Illinois constitute a hardship for Gains?

12          A     Yes, it would?

13          MR. LYNCH: Your Honor, I have no further  
14 questions for Mr. Chuck.

15          JUDGE RILEY: Thank you.

16                     Mr. Chuck, what is your business  
17 background?

18          MR. CHUCK: I've been a financial analyst for  
19 about six or seven years for -- of the telecom.

20          JUDGE RILEY: And what is your current position  
21 with the applicant?

22          MR. CHUCK: I am the financial manager/director

1     for Gains International.

2             JUDGE RILEY:  Do you have any specific  
3     telecommunications background?

4             MR. CHUCK:  What do you mean by specific  
5     telecom -- again, I have been doing the books for the  
6     telecom industry and another telecom company for the  
7     past six years.

8             JUDGE RILEY:  Okay.  I have no further questions  
9     for Mr. Chuck.

10                         Is there anything that you wanted to  
11     follow up with, Counsel?

12             MR. LYNCH:  No, thank you.

13             JUDGE RILEY:  All right.  Thank you, Mr. Chuck.

14             MR. CHUCK:  Thank you.

15             JUDGE RILEY:  And who is your -- you have one  
16     more witness?

17             MR. LYNCH:  One more witness, your Honor.  It's  
18     John McSherry, general counsel and secretary for  
19     Gains.

20                         And I just have one question for  
21     Mr. McSherry.

22

1 (Witness sworn.)

2 JUDGE RILEY: Please proceed.

3 JOHN MC SHERRY,

4 called as a witness herein, having been first duly  
5 sworn, was examined and testified as follows:

6 EXAMINATION

7 BY

8 MR. LYNCH:

9 Q Mr. McSherry, does Gains -- does the Gains  
10 agreement with each customer typically contain terms  
11 pertaining to payment and billing?

12 A Yes.

13 Q And would adopting different terms  
14 constitute hardship for Gains?

15 A Yes, it would.

16 Q Thank you.

17 MR. LYNCH: I have no further questions, your  
18 Honor.

19 JUDGE RILEY: Thank you.

20 And, Mr. McSherry, could you describe  
21 your business background?

22 MR. MC SHERRY: Sure, your Honor. I've been a

1 lawyer for about eleven and a half years now,  
2 licensed in good standing in the state of New York.  
3 My first five or six years, I was with a private law  
4 firm here in downtown New York.

5 I spent a couple of years then with  
6 the Securities and Exchange Commission in the  
7 enforcement division. And for the past four-plus  
8 years have been involved here with a company by the  
9 name of IPC Information Systems Inc., (phonetic)  
10 which acquired Gains in April of this year.

11 JUDGE RILEY: All right. Thank you.

12 MR. LYNCH: Your Honor, I have no further  
13 questions in the proceeding.

14 JUDGE RILEY: Thank you.

15 And, Mr. McSherry, I have no further  
16 questions. Thank you for your participation.

17 Were there any other witnesses that  
18 you wanted to call?

19 MR. LYNCH: No, your Honor.

20 JUDGE RILEY: That is all of the questions that  
21 I have for all of the witnesses.

22 And if there is no one further to

1     examine, then I will direct the court reporter to  
2     mark this matter heard and taken. And I'll have an  
3     order prepared for the Commission as soon as  
4     possible.

5             MR. LYNCH: Thank you very much, your Honor.

6             JUDGE RILEY: Gentlemen, thank you very much.

7                     HEARD AND TAKEN. . .

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22